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UNCLAS SECTION 01 OF 02 DUBAI 000271

(C O R R E C T E D C O P Y - ADDED SIPDIS)

SENSITIVE

SIPDIS

DEPARTMENT: NEA/ARPI BAGWELL AND MASILKO

E.O. 12958: N/A

TAGS: [ECON](#) [EINV](#) [ETRD](#) [PGOV](#) [AE](#)

SUBJECT: DUBAI MEGA-PROJECTS PART 1: INCREASING THE COASTLINE TEN-FOLD

11. (U) Summary. In support of Dubai's 2015 Strategic Plan, Dubai's parastatal conglomerates and their many subsidiaries (as well as a bevy of Part two will examine inland real estate development and infrastructure initiatives. End Summary.

The Iconic Palm Island Projects

13. (U) The Palm Islands (Palm Jumeirah, Palm Jebel Ali and Palm Deira) are best known of the land reclamation efforts, and perhaps the best-known of Dubai's mega-projects internationally. Land and infrastructure work on the Palm Jumeirah is complete, as is about 65 percent of building construction; land reclamation is nearing cc

14. (U) Land reclamation for Palm Jumeirah began in 2001, and by the end of 2006 residents had begun moving into the first buildings. When ful

15. (U) Slated for completion in 2008, land reclamation for Palm Jebel Ali began in 2002. The project, which is 50% larger than the Palm Jumei

16. (U) The third palm project, Palm Deira, is expected to be more than 10 times larger than Palm Jumeirah, with a surface area of 46.35 millic

The World and Universe Projects

17. (U) Anchored between Palm Jumeirah and Palm Deira, lies a Nakheel-made archipelago of 300 islands constructed in the shape of a Mercator-pr The overall development cost of The World is estimated at \$14 billion, and individual islands range in price from \$15 million to \$250 million. While speculation about buyers is rampant (with unconfirmed reports of Brad Pitt and Angelina Jolie purchasing "Ethiopia" and Motley Crue drummer Tommy Lee buying "Greece"), confirmed purchases include the Irish business consortium Larionovo (which will develop "Ir (Comment: The World project is a good example of ambition trumping proper planning in its early stages--initial plans that each island would c

18. (U) Still in the planning stages, Nakheel announced in January 2008 that it will build The Universe, an archipelago of islands inspired by Port Rashid becomes "Maritime City"

19. (U) In a move aimed at maximizing the financial returns on prime central Dubai real estate, the Dubai government-controlled port operator I Maritime City. The \$12 billion re-design, with an estimated land area of 7.3 million meters (five million of which is land reclamation), will

Comment

10. (SBU) When the Palm Jumeirah was launched in 2001, many said it couldn't be done; it was just a dream. Today, people are living on the is Given MbR's determined vision, it is likely (short of a major market shock) that eventually the coastline of Dubai will be dotted with palm tre even engineers from Nakheel have admitted to Post that they are ultimately uncertain as to how long the islands will last, though Nakheel insis

End Comment.

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